

Annex "A," Subparagraph 3d,
Economic Background

BANKING AND CURRENCY

I. BANKING DEVELOPMENT

A. Pre-Communist System

•453 Banking was less developed in the Southwest Region than elsewhere in China proper at the outbreak of the war of resistance against Japan in 1937. This situation was in part due to the lack of industrial development in the region, and in part the result of chaotic conditions engendered by warlord rule. The unpredictable and inefficient handling of local finance and issues of paper currency had precluded the local development of modern banking or the extension into the region of the modern banking facilities of established firms in Shanghai.

There were a few locally registered commercial banks in Chungking, Szechwan Province. Only one of them, the Young Brothers Banking Corporation, employed modern practices and relied little on warlord capital. The rest of the concerns depended almost completely for their capital on the warlords and made but slight contribution to the development of modern banking. In addition, Szechwan Province had a provincial

- 453 bank and a number of native banks. In Kweichow and Yunnan provinces there were hardly any locally registered commercial banks, nor any branches of modern banks with headquarters in other cities; there were only a provincial bank and a few native banks in each province.

When the Nationalist Government moved its capital to Chungking in 1938, the head offices of the Central Bank of China and the Farmers Bank were also transferred there. The Bank of China and the Bank of Communications followed soon afterward. Branches of these four government banks were opened in the major cities of Szechwan, and the modern commercial banks of Shanghai also established branches at Chungking. The opening of a highway connecting Southwest China and Central-South China made Kweiyang, the capital of Kweichow Province, the hub of transportation in Southwest China and also encouraged banks to open branches along the highway in Kweichow. After the Japanese army cut the Canton-Hankow railway linking Nationalist China with Hong Kong, Kunming, the capital of Yunnan Province, became the terminus of the only communication lines between Free China and the outside world, viz., the Yunnan-Indochina Railway and the Burma Road. As a result, branches of government and modern commercial banks

- 453 were rapidly established in Kunming. Thus, an unprecedented banking boom took place in Southwest China which vastly expanded all banking facilities. At the end of the war, there were 866 banks (including head offices and branches) in Szechwan, 149 in Yunnan, 91 in Kweichow, and 44 in Sikang.

With the surrender of Japan, the Nationalist Government re-established its capital at Nanking, the head offices of the government banks returned to Shanghai, and much of the war-inspired industrial and commercial activity in the Southwest Region was discontinued. What business remained was insufficient to support the expanded banking facilities in the region. The Shanghai banks recalled their funds, and private capital migrated to Shanghai, where increasing inflation provided a wider scope for speculative activities. Most of the local commercial banks in Szechwan and Yunnan, partly owned by the warlords, encountered difficulties because their funds were tied up in local enterprises which were adversely affected by the end of the war. As a result, the banking structure in Southwest China was reduced to impotency before the arrival of the Communists.

B. Communist Transformation

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453 When the Communists took over Southwest

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453 China, they closed the branches of the Central
652 Bank of China and the Farmers' Bank, and
instituted rigid supervision over the branches
of the Bank of China and Bank of Communications.
The new regime also took over the provincial
banks outright. The regulations governing
private banks which had been enforced in
other regions were put into effect; the
stipulations regarding the banks' operations and
interest rates, the amount of reserves to be
kept with the People's Bank, and the periodic
reports required were so harsh that few banks
could survive. The banking shares owned by
so-called "bureaucratic capitalists" and
"reactionaries" were confiscated. Nearly all
native banks and the minor locally registered
commercial banks discontinued operations
because of their inability to increase capital
as required; a few locally registered com-
mercial banks in Chungking and Kunming were
liquidated after their shares had been confis-
cated by the government and their financial
resources had proved inadequate.

In May 1951, the Young Brothers Banking
Corporation and the Ho Chen Bank were "ad-
vised" to join the first system of eleven banks
operated jointly by state and private enter-
prise with headquarters at Shanghai. Both
the commercial banks were owned by Szechwen
capital and did business within and outside

453 the province. The Ho Chen Bank was the
652 younger of the two institutions but had made great strides during the war. As a result of a Communist-induced merger of all private banks in December 1952, the names of Ho Chen and Young Brothers disappeared from the banking world.

Meanwhile, the Bank of China and the Bank of Communications were reorganized and placed under the control of the People's Bank. With the transformation of the modern commercial banks in Shanghai into one Joint State-Private Bank, their branches in Southwest China underwent similar changes.

Before the war, a branch of the Banque de l'Indochine in Kunming was the only foreign bank in Southwest China. It ceased operation soon after the Communists took over Yunnan. The Hongkong and Shanghai Banking Corporation had established an office in Chungking during the war but withdrew soon after its end. Therefore, the Communists were hardly confronted with a problem of eliminating foreign banking influence in the region.

Since Szechwan was the most fertile of the Southwest China provinces, it had a larger number of affluent landowners and a greater amount of outstanding rural credit

453 extended by landowners than had Yunnan and
652 Kweichow. On the other hand, pawnshops in
the latter two provinces did more business
than their counterparts in Szechwan, which
were often handicapped by inflation and the
consequent need to charge excessive interest
rates.

These two sources of credit were wiped
out by the Communists: the Land Reform
Movement eliminated the landlords; and the
pawnshops closed because they could no
longer obtain bank credit nor meet the
increased capital requirements established by
Communist regulations.

The fragile banking structure of
Southwest China could offer little resistance to
Communist designs, and it was completely
transformed by the middle of 1951. As the
old banking structure was liquidated, the new
banking system in Southwest China was
developed after the general pattern of the
banking system of Communist China as a
whole: monolithic and uniform. It now
consists of branches of the following institutions:
(1) People's Bank of China; (2) Bank of China;
(3) Bank of Communications; (4) Chinese
People's Construction Bank; (5) Agricultural
Bank of China; (6) State-Private Joint Bank;
(7) Chinese People's Insurance Company;
and (8) credit co-operatives.

II. THE COMMUNIST BANKING SYSTEM

A. The People's Bank of China

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652 The People's Bank of China is the
supreme financial organ in the country; all
other banks operate under its control. A
Southwest China regional office of the People's
Bank was established at Chungking as the
highest authority on monetary matters and
administration; branch offices were maintained
in each province. The regional office was
abolished with the abandonment of the regional
administrative system in September 1954;
the branch offices in each province were placed
under the direct control of the head office at
Peking and charged with the responsibility
for monetary affairs at the local level.

The number of branches, one in each
provincial capital, was reduced from four to
three after the province of Sikang was
amalgamated with Szechwan Province in
October 1955. Branch offices of the People's
Bank in the Southwest Region are currently
located at Chengtu, Kweiyang, and Kunming.

Under each branch office there are sub-
branch offices in counties, cities, and towns.

453 There also are temporary units, called
652 central sub-branch offices, set up at political or communication centers to supervise sub-branch offices in the vicinity. A network of subordinate offices called agencies, sub-agencies and stations, has been established to serve main thoroughfares and residential sections in large cities and individual towns, populous villages, schools, factories, and military posts. These offices handle deposits, remittances, and the extension of rural credits.

According to incomplete statistics there are about 400 sub-branch offices and about forty central sub-branch offices in the three provinces of Southwest China, besides several thousand agencies and stations. The total number of subsidiary offices of the People's Bank was officially reported to be more than 19,000 in March 1955.

The branch offices perform the following functions.¹ (1) Adjust the circulation of currency; (2) Act as agents for the state treasury; (3) Accept current accounts and promote savings; (4) Extend credits to

1. Kuo-min Ching-chi Shih-yung Tz'u-tien [Popular Dictionary of Practical Economics], Shanghai, Ch'un-ming Shu-tien, 1953, p. 8,013.

- 453 industry and commerce, both public and
652 private, either directly or through affiliated
banks; (5) Handle clearings of bills and
transfers of accounts, and facilitate
remittances; (6) Extend rural credits either
through their own agencies or through
co-operatives; (7) Look after receipts and
disbursements of foreign exchange handled by
affiliated banks; and (8) Handle any other
monetary matters within their jurisdictions.

Each branch office has departments
to control currency, credit to public and
private enterprises, rural credits, and
the promotion of savings deposits and the
expansion of credit co-operatives.

B. Bank of China

The Bank of China, established as a
central bank in 1912, was reorganized in
1928 as a special institution with government
participation for dealing with foreign trade.
After the Communists overran China, the bank
was allowed to continue its old status, and
those of its directors who represented private
interests retained their positions. At the
same time, the general manager and the direc-
tors representing Nationalist Government
interests were replaced by Communist
appointees; one of the newly appointed directors,

453 the director-general of the People's Bank,
652 was concurrently nominated chairman of the board. At the first shareholders' meeting, held in November 1954 under the Communist regime, the old directors representing private interest who had left the Mainland were replaced by shareholders who were co-operating with the Communists. Hence, the Bank of China is fully controlled by the Communist government and is virtually a subsidiary of the People's Bank.

The Bank of China is entrusted by the People's Bank to:² (1) Administer the control of foreign exchange; (2) Handle foreign exchange, foreign securities, bills of exchange, and other commercial documents, payable or receivable in foreign exchange; (3) Extend credits, and accept deposits in connection with foreign trade; (4) Look after the accounts and clearings of foreign trade conducted by and through government organizations; and (5) Control overseas remittances.

Before 1937, the Bank of China had had only three branches in the Southwest Region,

2. Ching-chi Chou-pao [Economic Weekly], Shanghai, No. 31.

453 all in Szechwan. During the war the bank not
652 only increased its branches in Szechwan, but
also opened a number of offices in Kweichow
and Yunnan. The bank now has only two
branches in Southwest China, both in Yunnan,
one at Kunming and the other at Wan-ting on the
Burma border.

The Communists found the Bank of China
a valuable institution because of its solid
reputation, core of trained personnel, and
assets located in China and abroad. However,
the Communist regime was able to control
only 11 of the overseas branches -- in
Hong Kong, London, Singapore, Penang,
Kuala Lumpur, Calcutta, Bombay, Karachi,
Chittagong, Rangoon and Djakarta. The other
eight branches -- in South Indochina, Cambodia,
Thailand, Japan, the United States, Cuba
and Australia -- are still under the control
of the Bank of China in Formosa because those
countries have not recognized Communist China.

C. Bank of Communications

The Bank of Communications, inaugurated
in 1907 as a treasury agent of the Ministry of
Posts and Communications, was reorganized
in 1928 with the participation of government
interests as a special institution to develop
industry and internal trade. In June 1951,

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453 after a short period of suspension ordered by
652 the Communists, the bank was allowed to
resume business under its old status.

Probably, this was done with the intent of facilitating Communist penetration of private industries through the bank's connections. Business was resumed only after Communists were appointed to the offices of chairman of the board and general manager, and after Nationalist Government directors were replaced by appointees of the new regime. At the shareholders meeting held in December 1954, the shareholders were "advised" to elect as directors representing private interests a slate of candidates drawn up by the Communists.

The Bank of Communications performs the following functions:³ (1) Handles appropriations for basic government construction, and screen and approve applications for appropriations for such construction; (2) Organizes and lead long-term investment markets; (3) Controls ownership rights for public shares of enterprises operated by state-private joint interests; (4) Handles long-term credits.

3. Cheng Chu-yüan, Monetary Affairs of Communist China, Hong Kong, The Union Research Institute, 1954, p. 25.

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652 Since the establishment of the Chinese People's Construction Bank, it has been entrusted with the important function of handling appropriations for basic government construction. No investment markets could be created because any savable income the people might have was constantly drained by the government's frequent levies. The function of controlling ownership rights for public shares is ~~non~~ non-existent since in every joint state-private enterprise one or more Communist appointees participates in the management, assisted by Communist-controlled labor union members. Therefore, the duties of the Bank of Communications are confined to looking after long-term credits to state-private joint industry.

The Bank of Communications increased the number of its branches in Southwest China after resuming business. The important ones are: in Szechwan Province -- Chungking, Chengtu, Neikiang, Tzeliutsing, Luhsien, and Kikiang; in Kweichow Province -- Kweiyang, Tuyun, and Tuhsan; in Yunnan Province -- Kunming and Kokui.

D. Chinese People's Construction Bank

In order to facilitate progress of the Five-Year Plan and to overcome defects in

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652 the appropriation of funds for capital construction, the Chinese People's Construction Bank was established in October 1954 and entrusted with the following functions:⁴
(1) To handle the funds of basic construction projects, either as provided by budget appropriations or as raised by the projects themselves; (2) Supply short-term credits, according to the governments' credit plan, to the contracting organizations undertaking work on projects; (3) Settle accounts and make returns in connection with the governments' appropriations for the projects; and (4) Supervise the use of funds appropriated or raised, the arrangement of payment to contracting organizations, and project matters related to finance, cost accounting, and, investments.

As soon as the head office of the Chinese People's Construction Bank was installed in Peking, branch offices were set up in places where basic construction projects were underway. A part of the buildings of the People's Bank or of the Bank of Communications

4. New China News Agency release, Peking, Sept. 13, 1954.

453 were used as Construction Bank offices; a
652 number of staff members of the two older banks
were switched to the new bank. In light
of its functions and of the establishment of
its branches in such a summary manner, the
Chinese People's Construction Bank bears
more resemblance to a government department
than to a banking institution.

Less than three months after the Bank's
establishment, a conference of managers of
branches was held to review their work in
appropriating and supervising funds for
capital construction in 1954. Among the
resolutions of this conference was an ambitious
proposal. The Bank would supervise
construction units and enterprises to fully
develop the resources and potentials of each
project, and would urge them to deliver
profits, depreciations funds, and surplus
revolving funds to upper levels on schedule.

E. Agricultural Bank of China

The Agricultural Bank of China was
inaugurated on March 25, 1955. Rural finance
until then had been handled entirely by the
branch and subsidiary offices of the People's
Bank in line with the policy of avoiding the
duplication of banking services involving small

453 loans and deposits at the local level. As
652 early as May 1951, a departure from this policy was contemplated when a national rural finance conference decided an agricultural co-operative bank should be set up to handle rural finance exclusively. This decision was not implemented, however, because it was contradictory to the policy of the People's Bank. The revival of the idea of creating a special rural finance institution was the result of a new call for more "co-operativization" of agriculture, and of the rapid growth of the number of credit co-operatives.

The Agricultural Bank of China performs the following functions:⁵ (1) Extends long-term and short-term credits to individual producers and to joint state-private operated agricultural, stock-raising, fishery, and producer mutual-aid and co-operative organizations; (2) Handles capital investments allocated in the state budget for agriculture, forestry, and water conservation; (3) Guides and helps the people's credit co-operative organizations; and (4) Provides savings deposit services for rural residents, producer mutual-aid and co-operative organizations, collective farms, and state agriculture and water conservation organs.

5. Ibid., March 28, 1955.

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652 At present, the function of handling capital investments appropriated in the state budget will be retained by the People's Bank, according to an official statement. Moreover, there is no indication that the new bank will develop an extended branch network on the order of the Chinese People's Construction Bank. Therefore, the present function of the Agricultural Bank of China appears to be primarily the guidance and supervision of credit co-operatives and the promotion of savings deposits in rural areas; its organization is, in reality, similar to that of a department of the People's Bank, except that the Agricultural Bank has more responsibility and discretionary power.

F. Joint State-Private Bank

Soon after all banks in Shanghai had been transformed into joint state-private concerns and then grouped, with the exception of the Shanghai Commercial and Savings Bank, into four joint management units, they were all "advised" to merge into one Joint State-Private Bank. It began operations on January 1, 1953. Only two Szechwan banks, the Young Brothers Banking Corporation and the Ho Chen Bank, were involved in the merger. The general managers of the two Szechwan banks were included on the 103-man boards of directors

453 of the joint bank and made two of its 27 managing
652 directors. The Chungking, Chengtu, and Kunming branches of the component banks in the merger were ordered amalgamated in each city into one branch of the Joint State-Private Bank; branches of the component banks in other cities of Southwest China were closed. The amalgamated branches in Chungking, Kunming, and Chengtu constitute three of the thirteen branches of the joint bank maintained throughout the country; the head office is located in Peking.

The chairman of the board and the chief manager of the bank are appointees of the People's Bank, which completely controls the Joint State-Private Bank. The Joint Bank is empowered to fulfill the following functions:⁶

- (1) Handle accounts of private enterprises;
- (2) Extend short-term credits to private enterprises, subject to the advice of the People's Bank;
- (3) Handle inland remittances and overseas Chinese remittances through the branches of component banks still operating in Hong Kong for the account of the Bank of China; and
- (4) Accept savings deposits for the account of the People's Bank.

6. Report of Shanghai Commercial Bank, Hong Kong.

453 The Hong Kong branches of the Young
652 Brothers Banking Corporation and of the Ho
Chen Bank are still allowed to operate. Other
Hong Kong branches of the component banks
which likewise continue to function are: Kin-
cheng Banking Corporation, Yieh Yieh
Commercial Bank, China and South Sea Bank,
Sin Hwa Savings Bank, the China State Bank,
the National Commercial Bank, and the
National Industrial Bank. The desire of the
Communists to maintain as many interests in
Hong Kong as possible accounts for the
continued operation of these branches, in
spite of their handling only small deposits
and remittances.

G. Credit Co-operatives

452 Credit co-operatives in rural areas have
474 experienced tremendous growth since 1954.
The number throughout the country increased
from about 13,000 at the end of 1953 to
153,400 in June 1955.⁷ According to Com-
munist statistics, credit co-operatives exist
in about 80 per cent of the more than 2,000
counties in the country and have a membership
of nearly 100,000,000.

7. Ta-kung Pao, Tientsin, Oct. 6, 1955.

456 Since 1950, the Chinese People's Insurance Company has handled the compulsory insurance of assets of state-owned enterprises and supply-marketing co-operatives above the county level and of persons traveling by rail, steamer, and aircraft. The company also has promoted life and private property insurance on a voluntary basis in urban centers. Insurance of livestock and farm crops has been encouraged in rural areas. Rates for various categories of insurance have been reduced, and the scope of coverage broadened. However frequent criticism of the company has been expressed concerning imprudent expansion, inexperienced personnel, and the arbitrary attitude displayed by the officers.

III. BANKING OPERATIONS

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652 The operation of these varied banking and financial organizations is integrated through their subordination to the single command of the People's Bank, and, in effect, they operate as a single body. During the development of the Communist monetary system, the emphasis of the whole banking operation appears to have shifted. At its inception, popularization of the People's Bank notes and the promotion of individual deposits were stressed; at a later stage, control of cash funds held by public organizations and centralization of credit extension were emphasized; recently,

453 attention is being focused on attracting peasants'
652 deposits. But the main objective of these different emphases is to subject all economic activity to state direction by controlling all cash funds held by organizations, firms, and individuals, and by completely controlling the distribution of credit.

A. Cash Control

Beginning in March 1950, control over revenue collections was enforced; all government agencies handling such funds are required to deposit them with the People's Bank or its authorized agencies. Similar control was soon extended over funds held by publicly operated enterprises, the armed forces, and co-operatives. These organizations are allowed to keep on hand only small, stipulated amounts of cash and are required to make all payments by check, except for wages, salaries, and the purchase of local products in rural areas.

After intensification of the Korean war in 1951, the increasing fluctuation of commodity prices and the revival of black-market financial dealings prompted the Communists to further tighten control over cash held by private firms and individuals. All persons engaged in business are required to deposit the day's net proceeds in their bank

453 accounts; all shops have to make their pur-
652 chase payments by check, and under no
circumstances can cash be used. Checks
received for the sale of goods have to be
deposited in bank accounts; under no circum-
stances may these checks be used to buy other
goods. All persons are required to bank their
cash holdings in excess of PB\$2,000,000
(about US\$80.00);¹⁰ all firms and individuals
must use checks for transactions exceeding
PB\$100,000 (about US\$4.00).

To prevent the use or retention of checks
as substitutes for cash, "crossed checks"
(checks so marked that they cannot be
cashd, but only deposited to the account of the
payee) are mandatory in transactions between
public enterprises, and special checks in
transactions between public and private enter-
prises. To preclude the acquisition of cash
by transferring funds from one locality to
another, such transactions can only be
accomplished by the use of "crossed checks";
and the paying bank is responsible for
validating the transfer.

A lucrative rate of interest of 5.4
per cent a year was paid on current accounts

10. Cheng, op. cit., p. 84.

453 opened by private enterprises or individuals
652 until October 3, 1955. On that date, it was reduced to 2.88 per cent to "implement the strict practice of economy".¹¹ Indeed cash control has been so effective that the inducement of high interest is no longer necessary to encourage the banking of excess cash.

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652 The People's Bank also vigorously encouraged saving. Many subordinate offices were established for this express purpose, and their officers visited residents in the vicinity to solicit deposits. In rural areas, quotas for increasing savings deposits were set for each county, which, in turn, fixed quotas for each village and household. After the enforcement of the state plan for the unified and compulsory purchase of grain, cotton, and oil-bearing crops, canvassing for rural savings by banks in conjunction with credit co-operatives was accentuated with the hope of absorbing the purchase proceeds into the bank. It is interesting to note that the People's Bank, at the time it issued the new currency in March 1955, provided in its Savings Deposits Regulations for maintaining secrecy concerning depositors and their funds. The bank

11. New China News Agency release, Peking, Oct. 3, 1955.

453 The granting of credit to private enter-
652prises is subject to the same requirements
for furnishing a plan and a budget. Before the
Communist takeover, a system of specialization
in certain lines of business had been developed
by each private bank; thus, one bank granted
credits to textile enterprises, another to the
metal industry, etc. When all private banks
were merged into the Joint State-Private Bank,
the latter was placed in charge of the extension
of credits to private enterprises under the
direction of the People's Bank. A system of
joint application was promoted; enterprises
in the same line of business were encouraged
to apply jointly for credits, listing the
financial requirements of each firm with an
estimate of its production and demand for its
output. This arrangement was intended to
prevent "blind" competition in production
and preclude the diversion of bank credit by one
borrower to help another.

Extension and acceptance of credit
between public enterprises and private firms
were prohibited to eliminate commercial loans.
Private enterprises have had to depend entirely
on government banks for credit. Furthermore,
an exorbitant rate of interest has been
charged on credits to private enterprises:
private industry paid 10.8 to 19.8 per cent
annually, while private commerce was subject
to rates of from 16.2 to 23.4 per cent. Though

453 the interest rate was reduced on October 3,
652 1955, it remained as high as 11.88 per cent
for private industry and 16.2 per cent for
private commerce,¹⁵ double the rate charged
for public industry and commerce.

The Communist regime's accession to control of rural credit through the instrument of the People's Bank seems to have been an easy task. The large-scale landlords and retail merchants, who had been the most important source of rural credit, particularly in Szechwan and Yunnan, were stripped of their wealth if not of their lives; the newly emerged rich peasants were drained of their limited funds by compulsory subscriptions to savings deposits, government bonds, and various patriotic drives. Moreover, the so-called fixed purchase of grains, cotton, and oil-bearing crops barred the peasants from accumulating any kind of savings which might be loaned.

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652 The vigorous Communist drive to increase participation in credit co-operatives aims at utilizing the peasants' own funds for the extension and control of rural credits. This

15. New China News Agency release, Peking, Oct. 3, 1955.

436 of a farthing, so that it is impossible to take large sums about in this form. One has, therefore, to carry lumps of silver, which, in order to make small purchases, one has to weigh and exchange into cash at so many to a tael¹. The exchange differs enormously in different towns of the same province even. I have in Yün-nan got as many as 1,400 cash for a tael and as few as 950. Sometimes too, to make it still more confusing, there are two sorts of cash, big and small, which naturally have different rates of exchange. Money-changers do a very profitable business, as in each string of 100 cash there are always two or three short. This is a recognised thing, and besides this legitimate profit, they make more by charging the unwary a higher rate than the market tariff.

• 453 The amount of silver which the traveller has to carry about with him, besides being a serious addition to the weight of his baggage, is always a source of anxiety. There is the danger of theft, and the possibility in a rough country of the box containing it tumbling into a river. Happily it is not necessary to carry in silver the whole of the money necessary for a long expedition. There is an excellent system of banking throughout China, and credit notes obtained from Mandalay or Bhamo can be cashed at the branches of the same firm at Hsia-kuan, Yün-nan Fu and other places.

000 Hunter arrived on the evening of the 26th April, and we were able to make our plans for the future. The country between Wei-ning and the Yangtze had been found so difficult that it was necessary to see if a better line could be discovered by any other route. Pottinger and Hunter were therefore to go to Chên-hsiung Chou (lat. 27° 30', long. 104° 45') by different roads, and from there if possible to separate again and find different ways to the Yangtze. Watts-Jones was to strike across to Chao-t'ung Fu (lat. 27° 20', long. 103° 40') and on to the Yangtze at Sui Fu. Myself, I had to meet Turner and Ker at Yün-nan Fu, so I turned westwards again, taking the road for Tung-ch'uan Fu (lat. 26° 25', long. 103° 10'), so as to see unexplored country.

¹ A Chinese weight of about 1½ oz., and worth at present about three shillings.